

## **AGP-52. DUTY-FREE ENTRY**

- (a) Except as otherwise approved by JPL, no amount is or will be included in the Contract price for any duties on supplies specifically identified in the Schedule to be accorded duty-free entry.
- (b) Except for supplies listed in the Schedule to be accorded duty-free entry, and except as provided under any other provision of this Contract or in paragraph (c) below, the following procedures apply:
  - (1) The Contractor shall notify JPL in writing of any purchase of foreign supplies (including, without limitation, raw materials, components, and intermediate assemblies) in excess of \$10,000 that are to be imported into the customs territory of the United States for delivery, or for incorporation into end items to be delivered, under this Contract. The notice shall be furnished to JPL, for submission to the Contracting Officer at least 20 days before the importation, and shall identify:
    - (A) The foreign supplies;
    - (B) The estimated amount of duty; and
    - (C) The country of origin.
  - (2) If the Contracting Officer determines that these supplies should be entered duty-free, JPL shall notify the Contractor within 10 days.
  - (3) Except as otherwise approved by JPL, the Contract price shall be reduced by (or the allowable cost shall not include) the amount of duty that would be payable if the supplies were not entered duty-free.
- (c) Paragraph (b) above shall not apply to purchases of foreign supplies if:
  - (1) They are identical in nature with items purchased by the Contractor or any subcontractor in connection with its commercial business; and
  - (2) Segregation of these supplies to ensure use only on Government contracts containing duty-free entry provisions is not economical or feasible.
- (d) The Contractor warrants that all supplies for which duty-free entry is to be claimed are intended to be delivered, or incorporated into the end items, to be delivered under this Contract, and that duty shall be paid to the extent that these supplies, or any portion of them, are diverted to non-Governmental use, other than as scrap or salvage or as a result of a competitive sale authorized by JPL.
- (e) JPL agrees to request that the Government execute any required duty-free entry certificates for items specified in this Contract or approved by the Contracting Officer and to assist the Contractor in obtaining duty-free entry of the supplies.
- (f) All shipping documents covering the supplies to be entered duty-free shall consign the shipments to the National Aeronautics and Space Administration, Jet Propulsion Laboratory, in care of the Contractor and shall include the delivery address of the Contractor (or JPL, if appropriate). The documents shall bear the following information:
  - (1) Government prime contract number.
  - (2) Identification of carrier.
  - (3) The notation "UNITED STATES GOVERNMENT, NATIONAL AERONAUTICS AND SPACE ADMINISTRATION. Duty-free entry to be claimed pursuant to Item No(s).      [from Tariff Schedules]     , Tariff Schedules of the United States (19 U.S.C. 1202). Upon arrival of shipment at port of entry, District Director of Customs, please release shipment under 19 CFR 142 and notify Contracting Officer, NASA Management Office - JPL, 4800 Oak Grove Drive, Pasadena, California 91109, for execution of Customs Forms 7501 and 7501-A and any required duty-free entry certificates."
  - (4) Gross weight in pounds (if freight is based on space tonnage, state cubic feet in addition to gross shipping weight).

- (5) Estimated value in United States dollars.
- (g) The Contractor agrees to instruct the foreign supplier to consign the shipment as specified in (f) above, to mark all packages with the words "UNITED STATES GOVERNMENT, NATIONAL AERONAUTICS AND SPACE ADMINISTRATION, JET PROPULSION LABORATORY," and to accompany the shipment with at least two copies of the bill of lading (or other shipping document) for use by the District Director of Customs at the port of entry.
- (h) The Contractor agrees to notify JPL in writing upon award of a subcontract to an overseas supplier. The notice shall identify:
  - (1) The foreign supplies;
  - (2) The country of origin;
  - (3) The contract number; and
  - (4) The scheduled delivery date(s).
- (i) The Contractor agrees to insert the substance of this provision in any subcontract under which:
  - (1) There will be imported into the customs territory of the United States supplies identified in the Schedule as supplies to be accorded duty-free entry; or
  - (2) Other foreign supplies in excess of \$10,000 may be imported into the customs territory of the United States.